

MARICOPA COUNTY BOARD OF HEALTH MEETING

Finance Committee

October 26, 2015

301 W. Jefferson Street, 10th Floor

Phoenix, Arizona 85003

Board of Supervisors Conference Room

Meeting was called to order at 2:40 p.m.

ROLL CALL:

Members Present:

Don Cassano

Nedra Halley

Kip Steill

Francisca Montoya

Members Absent:

Andrew Ingram

ACTION ITEMS:

1. Approval of BOH Finance Committee Minutes August 17, 2015:

Vice President Steill asked for a motion to approve the minutes from the BOH Finance Committee Meeting held on August 17, 2015. Motion was made by Ms. Nedra Halley to approve the BOH minutes as presented. Motion was seconded by Mr. Don Cassano and the motion passed unanimously.

DISCUSSION ITEMS:

1. Environmental Services Finance Report

Ms. Diane Cabanillas

Ms. Cabanillas reported on the General Funds which had revenues at 17.57% under the year-to-date (YTD) budget and expenditures at 5.81% under the YTD budget through September of FY 2015-16. The decrease in revenue is attributed to a decrease in payoff amounts received from assessment statements, liens and restitution from citation cases. Currently, there are two liens outstanding that pending Country Attorney review. The expenditure amount is attributed to a personnel variance of \$41,396, Supplies & Services variance of \$103,720 and a Capital Expenditure variance of \$2,934. The negative personnel variance was due to overtime for Vector Control employees during the summer months. This will be absorbed by reducing supplies & services throughout the rest of the year. The Supplies & Services fund currently has a favorable variance. Most supplies within this line item consist of pesticides, chemicals, and lab supplies for vector control. The need for these supplies decreases in the winter months and increases during the summer months. The Capital Expenditure positive variance is attributed to the Vector Control Lab 7500 PCR machine that was purchased and was less expensive than the initial quote.

The Environmental Fee fund is reporting revenues 6.14% over the YTD budget and expenditures 3.52% under the YTD budget. This revenue is attributed to seasonality and mobile food truck permits. The positive variance in expenditures is made up of Personnel variance of \$86,064, Supplies & Services variance of \$14,352 and the Capital Expenditures variance of \$81,336. The positive variance for Personnel Services is due to a high vacancy rate for Registered Sanitarians. Eleven Environmental Health Specialist

trainees were hired with an effective date of September 14, 2015 which will decrease the variance in this line item. The positive variance for Supplies & Services is primarily attributed to the delay in purchasing the Q-Matic Kiosk to assist with customer service transactions. The positive variance for Capital Expenditures is attributed to OET IT allocations that will be expensed throughout the year.

2. Public Health Finance Report

Mr. Scot Pitcairn

Public Health has spent 25.2% of the General Fund allocation through the end of September. The spending YTD is below budget by \$276,325. The reason for this is that some budgeted costs are front loaded early in the year. For FY16, OMB has imposed more vacancy savings; to date, Public Health has generated \$116,103 in vacancy savings. For the FY17 budget process, Public Health is preparing a Zero-Based budgeting (ZBB) budget. County Management is still addressing the effects of the 1978 voter-approved spending limitation cap.

20.9% of the Grant Fund budget has been expended. Of the net positive expenditure variance of 1.37 million, \$981,834 is in personnel and \$392,631 is in operations. The grants with the largest positive expenditure are the federal Teen Pregnancy grant and the Tobacco Education & Chronic Disease grant. Grant revenues as of the end of the first quarter are showing \$8.0 million short of budgeted expenditures. A large share of this negative variance, \$6.7 million, results from deferred revenue adjustment made by downtown Finance. There was also a Treasurer's check that will actually be posted in October. The largest negative variance in operating expenditures is in General Supplies (\$80K) and Medical Supplies (\$110K). The department lost several First Things First grants this year. However, three grants have been combined into one larger new grant for the Oral Health program which should offset the losses.

25.2% of the Special Revenue fund has been expended. Compared to budget YTD, expenditures are exceeding budget by \$95,650. The main factor in expenditures exceeding budget is that the Child Immunization fee fund has made early-year purchases of vaccines which will be shared later in the year by the General and Grant funds. Revenue for the period shows a positive variance of \$136,147. Expenditures exceed revenues in the total Fee Fund budget. However, when excluding the one-time expenditure for the Vitals' East Valley office, the fund is balanced. Object 635 for our Vital Registration Office shows a positive variance of \$89,272 compared to budget. With the closure of the State's vital registration counter last year, we have been expecting revenues to increase annually (\$1M), but this level of increase has not occurred to date. The higher revenues in object 638 for FY16 to date come from Child Immunization and Refugee third party collections.

Adjournment

Prior to the adjournment, Ms. Francisca Montoya asked if MCDPH responds to complaints from renters of bed bugs. Ms. Cabanillas and Mr. Pitcairn explained that Environmental Services responds to these complaints. There being no further business, motion was made by Ms. Francisca Montoya to adjourn the meeting. The motion was seconded by Ms. Nedra Halley and the motion passed unanimously. Mr. Steill adjourned the Finance meeting at 2:55 p.m.